



U.S. Department
of Transportation
Federal Aviation
Administration

Memorandum

All appropriations

Subject: **ACTION**: Spending Restrictions

Date:

JUN -4 2002

From: Assistant Administrator for
Financial Services/CFO

Reply to: JRMathewson:
Attn. of: x79064

To: Management Board

It goes without saying that, given our fiduciary responsibility to the American taxpayer, all unnecessary spending must be eliminated. In addition, all spending that might simply give the impression of being wasteful or extravagant must also be eliminated. This is always the case, but is even more important today in light of a recent GAO report that uncovered improper and questionable FAA expenditures and the likelihood that the FAA will be faced with highly constrained budgets for the foreseeable future.

With this in mind, the following spending prohibitions and restrictions are being put in place effective immediately.

Travel

All non-operational, non-training travel (such as travel associated with general program oversight and review and attending conferences or offsites) should be reviewed carefully to make sure the travel is appropriate and necessary and to limit the number of travelers to the absolute minimum required.

Conferences and Offsites

Conferences and offsites that are arranged by the FAA may only be held in Federal facilities. If 25 percent or more of the expected attendees are from the Baltimore-Washington metropolitan area, the conference must be held in metropolitan area without providing hotel accommodations for participants residing in the metropolitan area.

Exceptions to the use of Federal facilities or the Baltimore-Washington metropolitan area location must be approved in advance by the Chief Financial Officer (CFO).

As for conferences and offsites arranged by other Federal agencies or the private sector, the FAA should send participants only if the reason for the conference or offsite is clearly related to our core mission of ensuring a safe and efficient national airspace and commercial space transportation systems. The number of participants at these conferences should be limited to those with a clear need to attend, and the number of days attending the conference or offsite should be limited to the minimum number necessary to accomplish the reason for attending. No observer-only participants may attend.

Air Shows

Attendance at all domestic and international air shows (e.g., Oshkosh, Paris) should be limited to those who have a legitimate reason for attending, such as those providing flight control services, participating in safety panels, disseminating safety or flight information, or participating in safety demonstrations. No one may attend who does not have an active role in the success of the air show. No observer-only participants may attend.

Space, Space Alterations, and Furnishings

All space alterations should be consistent with the General Services Administration guidelines and should be done in the most economical fashion practicable. Standard finishes and furniture must be used. Except for space alterations required to meet OSHA requirements and reasonable accommodations for handicapped employees, space alterations for offices slated to move to FOB-10B will not be approved. All requests for space, space alterations, and furnishings must be approved by the Facilities Management Division, ASU-400, in headquarters or the regional logistics divisions in the regions.

Procurement Cards

As you already know, procurement cards should only be provided to Federal employees with a need for them. If the cards are misused, you should take immediate action to confiscate and revoke them. Misuse includes purchases that are blatantly inappropriate, done without required approvals or authorizations, or exceed prescribed spending limits.

Promotional Items

It is not the business of the FAA to provide promotional items such as mugs, calendars, calculators, mouse pads, T-shirts, binders, portfolios, messenger bags, or inspiration posters to anyone - Federal or private sector - except perhaps as part of an approved award ceremony. The use of Federal funds to purchase and distribute these and similar items must be personally approved by you - the responsible Associate or Assistant Administrator.

Flat Panel Computer Display Monitors, Plasma Displays, and Personal Data Assistants

Except where you - the affected Associate or Assistant Administrator - personally decide it is vital to a person or organization successfully achieving their mission in an effective or efficient manner, Federal funds will not be used to purchase or rent flat panel computer display monitors, plasma displays, or personal data assistants (PDAs). If these restricted items are purchased or rented, you may be asked to justify your decision that they were appropriate, required, and cost-effective.

Cell Phones and Pagers

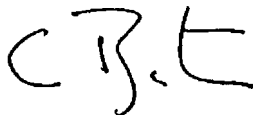
Cell phones and pagers may only be provided to staff with a clear and convincing operational requirement for them. The decision as to who should have a cell phone or pager is not dependent on the office held by someone; some senior staff may not need them, while some lower-level staff may have a critical operational need for them. Finally, the purchase of cell phones and pagers and associated service agreements by FAA Headquarters' organizations must be reviewed and approved by the Facilities Management Division (ASU-400).

Headquarters' organizations that procure their own cell phones, pagers, or service agreements without the approval of ASU-400 will be fully responsible for these costs and all administrative actions associated with their use and maintenance.

Finally, since the cost of cell phones, pagers, and associated monthly service agreements has risen dramatically in the last eight months, in the near future ASU-400 will be reviewing each organization's cell phone/pager requirements and usage and the escalation in costs from FY 2001 to FY 2002.

I understand the difficulties these restrictions may cause, but they are necessary if we are to avoid future reports critical of how we manage our resources and if we are to meet the expanding needs of the aviation community we serve with limited resources over the next few years.

Thank you for your cooperation in making these restrictions and guidelines a reality. If you have any questions or suggested improvements to this guidance, please let me know.

A handwritten signature in black ink, appearing to read 'C.B.T.', is positioned above the printed name.

Chris Bertram

**FAX****To: Joe Martirone****From: Jose Gutierrez****Subject: Spending Restrictions Memo****Pages****Faxed: 5, including this cover****MESSAGE****Per your request.**

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